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Request for City Council Committee Action From the Department of Public Works

Date: November 17, 2003

To: Transportation and Public Works Committee

Subject: Uptown, Dinkytown, Central Avenue, Nicollet Avenue South, Stadium Village, South Hennepin Avenue and 48th Street East and Chicago Avenue South Special Service Districts, Proposed Services and Service Charges for 2004: Public Hearings

Recommendation: Passage and summary publication of a Resolution for the Uptown, Dinkytown, Central Avenue, Nicollet Avenue South, Stadium Village, South Hennepin Avenue and 48th Street East and Chicago Avenue South Special Service Districts:

1. Approving the special services and the cost estimates in the lump sum total amount of \$449,040 for 2004;
2. Approving service charges and the lists of service charges in the lump sum total amount of \$436,853 for 2004;
3. Directing the City Clerk to transmit certified copies of the lists of service charges to the Hennepin County Auditor; and
4. Directing the City Engineer to proceed with the work.

Previous Directives: Transportation and Public Works Committee meeting of October 24, 2003 directing staff to give notice of public hearings to be held on November 17, 2003.

Prepared or Submitted by: Suzette R. Hjerstad, Real Estate Investigator II, 673-2401

Approved by: _____

Klara A. Fabry, P.E. City Engineer, Director of Public Works

Presenters: Jeffrey Johnson, P.E., Engineer 2.5

Financial Impact (Check those that apply)

- ☒ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☒ Other financial impact (Explain): Requires appropriation in 2004 Operating Budget.
- ☐ Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information Attached:

1. UPTOWN SPECIAL SERVICE DISTRICT

The Uptown Special Service District Advisory Board has recommended the services for 2004 which along with the estimated costs for 2004 are as follows:

1.	Sidewalk Snow Shoveling, Sidewalk Ice Melt Application and Snow Removal.	\$75,000
2.	Trash Removal.	\$ 7,000
3.	Holiday Lighting	\$13,500
4.	Streetscape Maintenance and Improvements.	\$ 1,500
5.	Security.	\$ 1,000
6.	City Administration costs.	<u>\$ 1,500</u>
TOTAL		\$99,500

The service charges are set up such that 100% of the cost of these services (\$99,500 estimated for 2004) are recovered from the affected properties. However, the service charges revenues through 2002 are in excess of the expenditures for services through 2002 by \$10,644. As provided for in Section 438.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2004 is \$88,856 (\$99,500 minus \$10,644).

The service charges for 2004 have been calculated according to the methods recommended by the Advisory Board which are: (1) a combination of abutting property frontage (lineal) method and land and building value method for the Snow and Ice, Trash, Lighting, Streetscape and Security Services and (2) a land and building value method for City Administration costs.

If approved, the 2004 service charges of \$88,856 would be collected on the 2004 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$88,856 to be collected in 2004 is \$361 less than the amount of \$89,217 collected in 2003.

Staff recommends approval of the services and service charges for 2004 in the Uptown Special Service District.

2. DINKYTOWN SPECIAL SERVICE DISTRICT

The Dinkytown Special Service District Advisory Board has recommended the services for 2004 which along with the estimated costs for 2004 are as follows:

1. Sidewalk Snow Shoveling, Sidewalk Ice Melt Application, Snow Removal, Sweeping, Cleaning and Poster Removal.	\$46,500
2. Dinkytown Area Promotional Services through use of the Varsity Theater marquee.	\$ 5,000
3. Tree Lighting.	\$ 8,000
4. Banners.	\$ 2,000
5. Trash Removal and Miscellaneous Landscape.	\$ 8,000
6. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$71,000

The service charges are set up such that 100% of the cost of these services (\$71,000 estimated for 2004) are recovered from the affected properties. However, the expenditures for services through 2002 are deficient of the service charges revenues through 2002 by \$4,820. As provided for in Section 444.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2004 is \$75,820 (\$71,000 plus \$4,820).

The service charges for 2004 have been calculated according to the methods recommended by the Advisory Board which are: (1) There is a \$200 charge to each tax parcel receiving Snow and Ice, Cleaning, Trash and Landscape Services. The remaining costs for City Administration, Snow & Ice, Cleaning, Trash and Landscape Services are charged to these tax parcels using an abutting property frontage (lineal) method. (2) The Dinkytown Area Promotional Services, Tree Lighting and Banners are charged on a lineal method to all parcels receiving Snow and Ice, Cleaning, Trash and Landscape Services plus two additional parcels (UTEC and Chateau Cooperative for the commercial unit in the cooperative).

If approved, the 2004 service charges of \$75,820 would be collected on the 2004 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$75,820 to be collected in 2004 is \$3,623 less than the amount of \$79,443 collected in 2003.

Staff recommends approval of the services and service charges for 2004 in the Dinkytown Special Service District.

3. CENTRAL AVENUE SPECIAL SERVICE DISTRICT

The Central Avenue Special Service District Advisory Board has recommended the services for 2004 which along with the estimated costs for 2004 are as follows:

1. Sidewalk Snow Shoveling, Sidewalk Ice Melt Application, Snow Removal, Sweeping, Cleaning and Poster Removal.	\$50,000
2. Miscellaneous Landscape, Maintenance, Repair and Beautification.	\$15,000
3. Decorative Lighting	\$15,000
4. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$81,500

The service charges are set up such that 100% of the cost of these services (\$81,500 estimated for 2004) are recovered from the affected properties. However, the expenditures for services through 2002 are less than the service charges revenues through 2002 by \$22,724. As provided for in Section 446.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2004 is \$58,776 (\$81,500 minus \$22,724).

The service charges for 2004 have been calculated according to the method recommended by the Advisory Board which is an abutting property frontage (lineal) method.

Minneapolis Police Department Precinct Number 2 at 1911 Central Avenue Northeast is located within the Central Avenue Special Service District. This property's allocated share of the service charges for 2004 is \$4,125.

If approved, the 2004 service charges of \$58,776 would be collected on the 2004 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$58,776 to be collected in 2004 is \$16,091 less than the amount of \$74,867 collected in 2003.

Staff recommends approval of the services and service charges for 2004 in the Central Avenue Special Service District.

4. NICOLLET AVENUE SOUTH SPECIAL SERVICE DISTRICT

The Nicollet Avenue South Special Service District Advisory Board has recommended the services for 2004 which along with the estimated costs for 2004 are as follows:

1. Banners.	\$ 2,000
2. Decorative Lighting.	\$ 13,000
3. Streetscape Landscape Features Repair and Plantings.	\$ 20,000
4. Maintenance and Cleaning.	\$ 25,000
5. Trash Removal.	\$ 11,000
6. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$ 72,500

The service charges are set up such that 100% of the cost of these services (\$72,500 estimated for 2004) are recovered from the affected properties. However, the service charges revenues through 2002 are less than the expenditures for services through 2002 by \$16,484. As provided for in Section 448.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2004 is \$88,984(\$72,500 plus \$16,484).

The service charges for 2004 have been calculated according to the method recommended by the Advisory Board that is a land area strip method (50 foot strip along the streets receiving the services).

If approved, the 2004 service charges of \$88,984 would be collected on the 2004 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$88,984 to be collected in 2004 is \$29,970 greater than the amount of \$59,014 collected in 2003.

Staff recommends approval of the services and service charges for 2004 in the Nicollet Avenue South Special Service District.

5. STADIUM VILLAGE SPECIAL SERVICE DISTRICT

The Stadium Village Special Service District Advisory Board has recommended the services for 2004 which along with the estimated costs for 2004 are as follows:

1, Sidewalk Snow Shoveling, Sidewalk Ice Melt Application and Snow Removal.	\$42,900
2. Banners.	\$ 6,000
3. Trash Removal.	\$ 5,000
4. Miscellaneous Landscape, Maintenance, Repair and Improvements.	\$ 500
5. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$55,900

The service charges are set up such that 100% of the cost of these services (\$55,900 estimated for 2004) are recovered from the affected properties. However, the expenditures for services through 2002 are less than the service charges revenues through 2002 by \$123. As provided for in Section 450.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2004 is \$55,777 (\$55,900 minus \$123).

The service charges for 2004 have been calculated according to the methods recommended by the Advisory Board which are: Each tax parcel is charged \$250 with the remaining costs being charged by using an abutting property frontage (lineal) method. Lineal dimensions for driveways and bus shelters along a property are excluded from the calculation of service charges for the property. The lineal dimensions to use for the exclusions were provided to us by the Advisory Board.

Minneapolis Fire Department Station Number 19 at 200 Ontario Street Southeast is located within the Stadium Village Special Service District. This property's allocated share of the service charges for 2004 is \$1,832.86.

If approved, the 2004 service charges of \$55,777 would be collected on the 2004 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$55,777 to be collected in 2004 is \$6,546 less than the amount of \$62,323 collected in 2003.

Staff recommends approval of the services and service charges for 2004 in the Stadium Village Special Service District.

6. SOUTH HENNEPIN AVENUE SPECIAL SERVICE DISTRICT

The South Hennepin Avenue Special Service District Advisory Board has recommended the services for 2004 which along with the estimated costs for 2004 are as follows:

1. Sidewalk Snow Shoveling	\$20,000
2. Holiday Lighting Decorations, Installation and Removal	\$ 2,390
3. Miscellaneous Landscape, Maintenance and Repair.	\$29,750
8. Trash Removal.	\$ 4,000
9. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$57,640

The service charges are set up such that 100% of the cost of these services (\$57,640 estimated for 2004) are recovered from the affected properties. The difference between actual expenditures through 2003 and service charges revenues through 2003 would be applied as an adjustment in 2004 to service charges to be collected in 2005 as provided for in Section 454.70 of the Minneapolis Code of Ordinances.

The service charges for 2004 have been calculated according to the method recommended by the Advisory Board that is the street influence zone area method for the streets receiving services. The services are along Hennepin Avenue South from approximately Franklin Avenue West to 28th Street West.

If approved, the 2004 service charges of \$57,640 would be collected on the 2004 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$57,640 to be collected in 2004 is \$7,667 greater than the amount of 49,973 (reduced from \$50,155 by Council action) collected in 2003.

Staff recommends approval of the services and service charges for 2004 in the South Hennepin Avenue Special Service District.

7. 48th STREET EAST AND CHICAGO AVENUE SOUTH SPECIAL SERVICE DISTRICT

The 48th Street East and Chicago Avenue South Special Service District Advisory Board has recommended the services for 2003 and 2004 which along with the estimated costs for 2003 and 2004 are as follows:

1. Sidewalk Snow Removal	\$3,000
2. Electricity for Decorative Lighting	\$ 800
7. Miscellaneous Landscape, Maintenance and Repair.	\$1,200
8. Trash Removal.	\$ 6,000
9. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$11,000

This is the implementation of the 48th Street East and Chicago Avenue South Special Service District. The service charges are set up such that 100% of the cost of these services (\$11,000 estimated for 2003 and 2004) are recovered from the affected properties. The difference between actual expenditures through 2004 and service charges revenues through 2004 would be applied as an adjustment in 2005 to service charges to be collected in 2006 as provided for in Section 457.70 of the Minneapolis Code of Ordinances.

The service charges for 2004 have been calculated according to the method recommended by the Advisory Board that is the street frontage method for the streets receiving services. The services are along Chicago Avenue South from 47th Street East to approximately mid-block between 48th and 49th Streets East.

If approved, the 2004 service charges of \$11,000 would be collected on the 2004 real estate tax statements in the same manner as special assessments. There is no interest charge applied.

Staff recommends approval of the services and service charges for 2004 in the 48th Street East and Chicago Avenue South Special Service District.

cc: Council Member Paul Ostrow
Council Member Paul Zerby
Council Member Joe Biernat
Council Member Dean Zimmermann
Council Member Lisa Goodman
Council Member Robert Lilligren
Council Member Dan Niziolek
Tammy Omdal, Budget Director
Robert Olson, Minneapolis Police Chief
Rocco Forte, Minneapolis Fire Chief
Special Service District Advisory Board Members